

Message Text

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C O N F I D E N T I A L SECTION 01 OF 06 LONDON 13704

FOR EUR/NE FOR WORREL FROM BYRD

E.O. 11652: GDS

TAGS: PINT, PFOR, UK

SUBJECT: MARGARET THATCHER AND THE CONSERVATIVE PARTY
IN 1975: EVERYTHING YOU WANTED TO KNOW ABOUT MARGARET
THATCHER BUT WERE AFRAID TO ASK

REF: TELECON BETWEEN S. WORREL AND P. BYRD, AUGUST 26

SUMMARY: MARGARET THATCHER WAS ELECTED LEADER OF THE
CONSERVATIVE PARTY BY HER PARLIAMENTARY COLLEAGUES IN
EARLY 1975. SHE THEREBY MADE A MODEST AMOUNT OF HISTORY,
BECOMING THE FIRST WOMAN TO LEAD A MAJOR BRITISH OR
WEST EUROPEAN POLITICAL PARTY, THE FIRST WOMAN TO REACH A
POSITION WHERE THE POTENTIAL FOR BECOMING PRIME MINISTER
OF AN EUROPEAN COUNTRY IS MORE THAN THEORETICAL.
A REVIEW OF HER INITIAL SIX MONTHS IN OFFICE SHOWS
IT HAS NOT ALL BEEN A BED OF ROSES. FIRST OF ALL, HER
ELECTION ITSELF IS A MARK OF THE TROUBLE THE PARTY WAS IN:
ELECTION LOSSES TWICE IN 1974, DISSATISFACTION AND DIVI-
SION WITHIN THE PARTY, PARLOUS PARTY FINANCES. FURTHER-
MORE, THE PREVIOUS LEADER DID NOT DISAPPEAR
THROUGH EMIGRATION (HOUSE OF LORDS, EEC IN BRUSSELS), RE-
TIRE TO THE MORNING CLOUD, OR FACE THE FIRING SQUAD. HE
STAYED AROUND, REMAINING A POSSIBLE RALLYING POINT FOR
HER OPPONENTS EVEN IF NOT OVERTLY THREATENING HER PO-
SITION HIMSELF.

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IN ADDITION TO THE PROBLEMS SHE HAS HAD IN MANAGING

PARTY AFFAIRS, MRS. THATCHER BECAME LEADER WITHOUT THE BENEFIT OF EXPERIENCE IN A MAJOR MINISTRY (CHANCELLOR, DEFENSE, FOREIGN OFFICE OR HOME OFFICE). SHE HAD BEEN HEATH'S EDUCATION SPECIALIST WITH A SOMEWHAT CONTROVERSIAL RECORD. SHE HAS HAD TO START LEARNING TO BE A LEADER AND MANAGER.

AT THE SAME TIME, TWO MAIN ISSUES HAVE DEMANDED ATTENTION ON THE NATIONAL LEVEL: THE REFERENDUM AND THE ECONOMY. THERE HAS BEEN FOR HER A HEAVY PARLIAMENTARY LOAD DURING THIS PERIOD.

SOME MODEST SUCCESSES HAVE BEEN ACHIEVED AND THERE HAVE BEEN FEW BLUNDERS. SHE HAS NOT YET SOLVED ALL THE PARTY'S PROBLEMS, BUT SHE IS MAKING INROADS ON THEM. THE UPCOMING CONFERENCE AT BLACKPOOL MAY WELL CAP OFF HER TRAINING PERIOD. END SUMMARY

1. INTRODUCTION: THE FOLLOWING REPORT IS AN ATTEMPT TO PRESENT SOME VIEWS AND IMPRESSIONS ON MARGARET THATCHER'S FIRST SIX MONTHS AS LEADER OF THE CONSERVATIVE PARTY AND, FROM THAT POINT OF VIEW, TO OFFER SOME COMMENTS ON THE STATE OF THE PARTY ITSELF. THIS REPORT IS BEING PROVIDED IN CONNECTION WITH MRS. THATCHER'S VISIT TO THE UNITED STATES IN MID-SEPTEMBER. IT IS BASED IN LARGE PART ON CHAT WITH MEMBERS OF THE CONSERVATIVE PARTY, ANALYSES OF MEDIA AND PRESS COMMENT AND SOME VIEWS BY MEMBERS OF OTHER PARTIES AS WELL AS PERSONAL IMPRESSIONS.

2. THE TIMING IS SOMEWHAT FORTUITOUS IN THAT A PARLIAMENTARY RECESS OFTEN REPRESENTS AN OPPORTUNITY FOR STOCK-TAKING. IN ADDITION, THE UPCOMING CONSERVATIVE PARTY CONFERENCE IN MID-OCTOBER WILL, PERHAPS, MARK A SIGNIFICANT STAGE IN CONSERVATIVE PARTY AFFAIRS RELATING TO MRS. THATCHER'S LEADERSHIP AND SOME EFFORTS SHE IS MAKING TOWARD REDEFINITION OF PARTY POLICIES.

3. IN HER FIRST SIX MONTHS AS LEADER OF THE CONSERVATIVE PARTY, MARGARET THATCHER HAS SCARCELY HAD TIME TO BASK IN THE SUCCESS SHE ACHIEVED IN FEBRUARY 1975, WHICH MUST BE CONSIDERED A TRIBUTE TO HER ACUTENESS IN ASSESSING THE SENTIMENT FOR CHANGE OF LEADERS AMONG HER PARLIAMENTARY

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COLLEAGUES, HER COURAGE AND DARING, AND A CERTAIN QUALITY OF DOGGED DETERMINATION. ONE WOULD ASSUME THAT THE NEWLY-ELECTED LEADER OF A PARTY IN OPPOSITION, WITHOUT THE RESPONSIBILITY OF GOVERNING AND WITH NO IMMINENT GENERAL ELECTION ON THE HORIZON, WOULD BE ALLOWED A DECENT INTERVAL WITHOUT MAJOR PROBLEMS TO DEAL WITH, TO RECEIVE THE APPLAUSE OF THE CROWDS, TO BASK IN THE LIMELIGHT AND RELAX AFTER A PERIOD OF TENSE POLITICAL AC-

TIVITY CONNECTED WITH THE LEADERSHIP ELECTION.

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4. PROBLEMS OF THE SIX MONTHS: THAT THIS HAS NOT BEEN THE CASE FOR MRS. THATCHER IS BEST EXPLAINED BY A COMBINATION OF CIRCUMSTANCES. FIRST OF ALL SHE BECAME LEADER OF A PARTY BADLY DIVIDED, PLAGUED BY FINANCIAL DIFFICULTIES, AND SUFFERING FROM THE LOSSES IN THE TWO CONSECUTIVE GENERAL ELECTIONS OF 1974. THE GOVERNMENT'S HEAVY LEGISLATIVE PROGRAM DID NOT PERMIT THE CONSERVATIVES TO STAND IDLE, AND MOST OF THE 1975 PARLIAMENTARY SESSION WAS CHARACTERIZED BY LENGTHY SESSIONS, EXTENSIVE COMMITTEE WORK AND A PRESSURIZED WORKLOAD UNUSUALLY HEAVY ON OPPOSITION AND GOVERNING PARTY ALIKE. THE CONSISTENTLY DETERIORATING BRITISH ECONOMY ALSO PRODUCED AN EXTREMELY HEAVY LOAD ON GOVERNMENT AND OPPOSITION ALIKE, AND WITH HER ACKNOWLEDGED SKILL IN THE FIELD OF FINANCE, MRS. THATCHER HAD TO DEVOTE MORE OF HER TIME TO PARLIAMENTARY ACTIVITY ON ECONOMICS AT THE EXPENSE OF TIME FOR HER LEADERSHIP FUNCTIONS. FINALLY, THE REFERENDUM ON BRITISH MEMBERSHIP IN THE COMMON MARKET WAS A FURTHER DRAIN ON HER, THOUGH SHE ATTEMPTED TO RESTRICT HER ACTIVITIES IN THE CAMPAIGN ITSELF AS MUCH AS POSSIBLE.

5. AN ADDITIONAL PROBLEM FOR HER WAS THE FALLEN LEADER, EDWARD HEATH. STUNG BY THE REJECTION OF HIS FELLOW CONSERVATIVES IN PARLIAMENT, HEATH REMAINS AN EVER PRESENT

THREAT TO THE NEW LEADER, PERHAPS NOT BECAUSE OF ANY-
THING HE HAS DONE OR INTENDS TO DO, BUT SIMPLY BECAUSE
OF HIS CONTINUED PRESENCE AS A POSSIBLE CENTER OF DIS-
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AFFECTION. WITHOUT OPENLY PRESENTING A CHALLENGE TO
MRS. THATCHER'S LEADERSHIP, HE NONETHELESS SKILLFULLY
CAPITALIZED ON THE REFERENDUM ISSUE AND THE ECONOMICS
DEBATES BY SPEAKING IN PARLIAMENT AND OUTSIDE WIDELY
THROUGHOUT THE COUNTRY. HE THEREBY RETAINED MEDIA IN-
TEREST AND, AS FALLEN LEADER, RECEIVED PRESS COVERAGE
MORE GENEROUS AND SYMPATHETIC THAN HE EVER RECEIVED AS
LEADER.

6. ACHIEVEMENTS OF THE SIX MONTHS: ALL OF THESE FACTORS
NOTWITHSTANDING, MRS. THATCHER, IN THE WORDS OF A HIGHLY
PLACED CONSERVATIVE (LORD CARRINGTON) HAS "NOT DONE TOO
BADLY". SHE HAS WORKED RELENTLESSLY IN THE AREA OF
FOREIGN AFFAIRS IN WHICH SHE HERSELF ACKNOWLEDGED A
LIMITED EXPERTISE FOR LEADERSHIP OF THE PARTY. SHE HAS
TRAVELED TO TURKEY, LUXEMBOURG, WEST GERMANY AND NOW TO
ROMANIA TO OBTAIN THE EXPOSURE AND MEDIA BENEFITS WHICH
ENSUE ON FOREIGN TRAVEL. SHE HAS ALSO BEEN RECEPTIVE TO
CONTACTS WITH VISITORS IN BRITAIN INCLUDING THE SECRE-
TARY, THE VICE PRESIDENT, A FRENCH MINISTER AND OTHERS.
HER PROSPECTIVE TRIP TO THE UNITED STATES HAS BEEN
CLEVERLY DESIGNED WITH AN EYE TO INCREASING HER PERSONAL
ACQUAINTANCE WITH SIGNIFICANT AMERICANS AS WELL AS PRO-
VIDING HER WITH ROUND-THE-CLOCK TELEVISION AND MEDIA EX-
POSURE. (THIS WILL REINFORCE THE IMAGE CREATED IN
AMERICA BY THE "TIME" MAGAZINE COVER STORY ON HER ELEC-
TION AS LEADER AND PERFORCE IN BRITAIN AS WELL.)

7. INTERNALLY MRS. THATCHER HAS TAKEN ON A PUNISHING
SCHEDULE OF VISITS TO SCOTLAND AND NORTHERN ENGLAND WHERE
TORY LOSSES IN OCTOBER WERE PARTICULARLY SEVERE. SHE HAS
ALSO ACCEPTED AS MANY SPEAKING ENGAGEMENTS AS POSSIBLE
AND, BECAUSE SHE HAS NOT YET ESTABLISHED CONFIDENCE IN A
TEAM OF SPEECH WRITERS, BURDENED HERSELF WITH HOURS OF
WRITING SPEECHES AS WELL AS DELIVERING THEM.

8. MRS. THATCHER HAS ALSO BEEN SUCCESSFUL IN OPENING
THE LEADER'S DOOR TO CONSERVATIVE MPS WHO FELT HEATH
PLAYED FAVORITES AND WAS NOT REALLY ACCESSIBLE. MPS
FEEL THEY CAN MAKE THEIR POINTS WITH HER AND THAT SHE
LISTENS EVEN WHEN THEY SUSPECT SHE DISAGREES. SHE HAS
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COMMENDED GOOD COMMITTEE WORK AND PARLIAMENTARY PERFORMANCE OF NEW MPS (AS WELL AS HEATH'S) AND CONSERVATIVE MPS HAVE DEVELOPED A WIDE RESPECT FOR HER HARD WORK, INTELLIGENCE AND ABILITY ONLY A FEW MONTHS AFTER THEY VOTED FOR HER AS AN ALTERNATIVE UNKNOWN QUANTITY IN ORDER TO DUMP HEATH. SHE SUCCEEDED IN KEEPING WILLIE WHITELAW AS HER DEPUTY (WHO CARRIED THE PARTY'S LAST POLITICAL BROADCAST QUITE ADEQUATELY) AND JIM PRIOR AS EMPLOYMENT SHADOW SPOKESMAN, BOTH OF WHOM WERE RIVAL CANDIDATES. AND SHE HAS REGAINED SOMEWHAT GRUDGING SUPPORT FROM ERSTWHILE HEATH SUPPORTERS IN PARLIAMENT AND IN THE PARTY.

9. ALTHOUGH SOME OF HER SHADOW CABINET APPOINTMENTS HAD NOT AS YET BEEN NOTABLE, SOME SHOW SIGNS OF GROWING INTO

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THEIR ROLES (PARTICULARLY SIR GEOFFREY HOWE AND HIS DEPUTY, DAVID HOWELL) AND CONCEIVABLY WILL BE OF CONSIDERABLE ASSISTANCE TO HER. SHE ATTEMPTED TO BROADEN THE STRAINS OF CONSERVATIVE OPINION REPRESENTED IN THE SHADOW CABINET AND SEES ONE OF HER PRIMARY ROLES AS LEADER AS AN ARBITRATOR BETWEEN DIFFERING STRAINS OF OPINION.

10. MRS. THATCHER ALSO HAS MADE A NUMBER OF SIGNIFICANT

CHANGES IN THE CENTRAL OFFICE (PARTY HEADQUARTERS), THE MOST CONTROVERSIAL OF WHICH WAS AND REMAINS THE SACKING OF MICHAEL WOLFF. WHILE NO ONE EXPECTED HER TO KEEP WOLFF IN HIS POSITION BECAUSE OF HIS CLOSE IDENTIFICATION WITH HEATH, EVEN TODAY SOME CONSERVATIVES FEEL HIS DISMISSAL WAS "BRUTAL" AND UNNECESSARILY ABRASIVE, PURELY IN TERMS OF HOW IT WAS HANDLED. THE MAIN EFFECT OF HER CHANGES IN THE SMITH SQUARE OFFICE HAS BEEN APPARENTLY WITH SOME CONSIDERABLE SUCCESS TO REASSURE FINANCIAL SUPPORTERS OF THE PARTY, PRIMARILY BUSINESS AND CITY INTERESTS. THUS, WHILE THE PARTY WAS CLAIMING IMMINENT BANKRUPTCY AS A RESULT OF THE TWO 1974 ELECTIONS, MOST RECENTLY A DEPUTY CHAIRMAN (JOHN MOORE) TOLD AN EMBASSY OFFICER THE SITUATION HAS DRAMATICALLY IMPROVED. IN SPITE OF THESE DEVELOPMENTS, THERE CONTINUE TO BE SOME MORALE PROBLEMS AMONG THE PERMANENT STAFF AT PARTY HEADQUARTERS, AND A FAIR AMOUNT OF CORRIDOR GOSSIP ABOUT HER EFFECTIVENESS AS LEADER.

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11. MRS. THATCHER DIRECTLY INVOLVED HERSELF IN THE RECENT WOOLWICH BY-ELECTION, A PRACTICE WHICH WAS CONTRARY TO THAT OF HEATH AND EARLIER CONSERVATIVE LEADERS. THE CONSERVATIVE CANDIDATE WON, AND HER ACTIVE PARTICIPATION IN THE CAMPAIGN PERHAPS HELPED THE CANDIDATE AND CERTAINLY REINFORCED THE IMPRESSION THAT SHE PERCEIVED ACCURATELY THE BENEFITS SHE WOULD RECEIVE BY ACTIVE PARTICIPATION.

12. MRS. THATCHER HAS ALSO UNDERTAKEN A COMPREHENSIVE REVIEW OF CONSERVATIVE POLICY THROUGH A COMMITTEE SYSTEM. CONSERVATIVE MPS WHO ARE EXPERT IN SPECIFIC AREAS (EDUCATION, SOCIAL SERVICES, FINANCE, POLICE AND SECURITY, ETC.) ARE ASKED TO FORM A COMMITTEE CONSISTING OF OTHER MPS AND PARTY MEMBERS WHO MEET REGULARLY TO TRY TO IDENTIFY CONSERVATIVE POLICIES AND NEW DIRECTIONS IN AN EFFORT AIMED AT THE NEXT GENERAL ELECTIONS. COMMITTEES ARE GIVEN A RATHER LOOSE TIME FRAMEWORK IN WHICH TO OPERATE (ROUGHLY 1977 WHEN CONSERVATIVE SOOTHSAYERS FORECAST A GENERAL ELECTION) THOUGH THE TIMETABLE MAY BE SPEEDED UP IN SPECIAL CASES IN RESPONSE TO PARLIAMENTARY LEGISLATION. THIS EFFORT, WHICH CAN UTILIZE EXPERTISE IN THE CONSERVATIVE RESEARCH OFFICE, COULD CONCEIVABLY PROVIDE THE PARTY WITH A FAR WIDER BASE OF AGREED OPINION ON CRITICAL QUESTIONS THAN IT HAS HAD IN THE PAST. THIS EFFORT WOULD APPEAR TO PARALLEL HER VIEWS ON POLICY FORMULATION IN THE SHADOW CABINET WHERE SHE IS ATTEMPTING TO COME UP WITH A PARTY-WIDE CONSENSUS RATHER THAN THE MECHANISM USED BY HEATH IN THE SELSDON CONFERENCE.

13. FINALLY, MRS. THATCHER HAS HAD, IT MUST BE SAID AND SOMEHOW DEALT WITH, A SPECIAL PROBLEM AS A RESULT OF HAVING BEEN ELECTED AS THE FIRST WOMAN TO LEAD A MAJOR BRITISH OR WESTERN EUROPEAN POLITICAL PARTY. THIS ASPECT OF HER LEADERSHIP TENURE SHE HAS HANDLED FIRMLY AND DIRECTLY NEITHER CAPITALIZING ON HER FEMININITY NOR HIDING BEHIND IT. HAVING "MADE IT" IN A HIGHLY COMPETITIVE SITUATION (MALE-DOMINATED CONSERVATIVE POLITICS) BY A COMBINATION OF ABILITY, HARD WORK AND PERFORMANCE, SHE MAKES NO USE OF WOMAN'S LIBERATION AND RESISTS THEIR BLANDISHMENTS WHILE EARNING THEIR RESPECT. (SEE CONFIDENTIAL

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GERMAINE GREER'S REVIEW OF THE RECENTLY PUBLISHED BIOGRAPHIES IN "THE SPECTATOR".) SHE MAKES NO SECRET OF HER FEMININITY AND OF HER ROLE AS WIFE AND MOTHER, YET GUARDS HER FAMILY AND TRIES TO PRESERVE ITS PRIVACY. SHE IS FREQUENTLY INTERVIEWED AND SPECULATED ABOUT IN THE MEDIA WITHOUT LETTING VERY MUCH OF HERSELF SHOW THROUGH AS OTHER REVIEWERS OF TWO RECENTLY PUBLISHED BIOGRAPHIES HAVE POINTED OUT.

14. ALL OF THIS SAID, UNRESOLVED PROBLEMS AND SORE POINTS: ALL OF THIS SAID, MARGARET THATCHER STILL HAS SOME SERIOUS PROBLEMS IN EXERTING HER TRUE LEADERSHIP FUNCTIONS IN THE CONSERVATIVE PARTY AND PLAYING THE ROLE OF LEADER OF THE OPPOSITION. SHE HAS, FIRST OF ALL, A CERTAIN AMOUNT OF IMAGE IDENTIFICATION TO OVERCOME.

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SOME SIGNIFICANT ELEMENTS OF THIS IMAGE ARE: A RATHER UNAPPETIZING VOICE WHICH FITS INTO THE STEREOTYPE OF LANGUAGE INDICATORS OF SOCIAL UPWARD MOBILITY; A SORT OF NON-DIMENSIONAL, NON-PERSONAL IMAGE REFERRED TO BY A LIBERAL POLITICIAN AS "THE SAME KIND OF CARDBOARD IMAGE HEATH SUFFERED FROM", AND THE STEREOTYPE PICTURE OF MRS. THATCHER AS A SPOKESWOMAN FOR THE "MIDDLE CLASS". (IN CLASS-CONSCIOUS BRITAIN, IT'S ALMOST EASIER FOR A POLITICIAN TO MAKE HIS MARK AS A REPRESENTATIVE OF THE UPPER CLASSES, I.E., PUBLIC SCHOOL-OXFORD-CAMBRIDGE, OR OF THE UNEDUCATED, UNSOPHISTICATED, LABOR-ORIENTED LOWER CLASS THAN AS A REPRESENTATIVE OF THE MUCH BE-LEAGUED MIDDLE CLASS. THE LATTER TERM HAS BECOME HIGHLY NEGATIVE IN CONTENT, INCLUDING SUCH SIDE ADJECTIVES AS UNCULTURED, HEAVILY MATERIALISTIC, PRETENTIOUS, PEDESTRIAN THINKING, MORALISTIC, ETC.)

15. MRS. THATCHER HAS BEEN SOMEWHAT SENSITIVE ON THIS ISSUE AND SEEMS TO BE TRYING WITH SOME SUCCESS, TO TURN THE CRITICAL COMMENTS INTO POLITICAL ASSETS. SHE ACKNOWLEDGES IN HER SPEECHES HER DEDICATION TO THE "ETERNAL VALUES" SUCH AS THRIFT, HARD WORK, PRIVATE ENTERPRISE, LESS NATIONALIZATION, LESS RATHER THAN MORE STATE INVOLVEMENT IN THE BUSINESS AND PRIVATE LIFE OF ITS CITIZENS, ETC. HER APPEAL IS MEETING WITH SOME SUCCESS IN SPITE OF THE GIBES OF THE PUNDITS AND SHE DOES HAVE A VOTE-CATCHING POTENTIAL FAR WIDER THAN THE SUBURBAN HOUSEWIFE SHE IS HERSELF.

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16. ON THE PARLIAMENTARY SCENE MRS. THATCHER HAS BEEN OPENLY REFERRED TO BY THE PRIME MINISTER AND OTHERS AS THE "RELUCTANT DEBUTANTE", A MONIKER DEVELOPED FROM HER HABIT OF EDGING FORWARD ON HER SEAT TOWARD THE BOX, PAPERS IN HER HAND, WAITING FOR THE APPROPRIATE MOMENT FOR A STATEMENT OR INTERJECTION. THERE IS UNDOUBTEDLY A CERTAIN HESITANCY IN THE WAY MRS. THATCHER HAS APPROACHED THE BOX, THOUGH MANY OF HER COMMENTS HAVE BEEN SHARP, BARBED AND WELL-APPRECIATED.

17. BECAUSE OF THE INEXPERIENCE AND IN SOME CASES, LACK OF ABILITY OF SOME OF HER SHADOW CABINET, MRS. THATCHER

HAS BEEN FORCED INTO TAKING AN ACTIVE PART IN PARLIAMENTARY DEBATE, IN SOME CASES WITH A LESS THAN EFFECTIVE RESULT. UNDERSTANDABLY SHE WAS PRESSED TO MAKE A STATEMENT DURING THE DEBATE ON THE 6 POUND WEEK ANTI-INFLATION PACKAGE, PROBABLY TO HER NET DISADVANTAGE AND CERTAINLY AT THE EXPENSE OF HER SHADOW CHANCELLOR, SIR GEOFFREY HOWE, WHOSE SPEECH, WHILE UNDRAMATIC AND NOT ORATORICAL, WAS NONETHELESS VERY SOUNDLY CONCEIVED AND SOBERLY DELIVERED. AS MEMBERS OF THE SHADOW CABINET GAIN EXPERIENCE IN THE SOMETIMES ROUGH TO-AND-FRO OF PARLIAMENTARY DEBATE, MRS. THATCHER MAY BE ABLE, PERHAPS, TO RESERVE HER TALENTS AND ABILITY FOR MORE SIGNIFICANT AND DRAMATIC INTERVENTIONS.

18. THERE IS LITTLE DOUBT THAT SHE SUFFERS BY COMPARISON WITH THE PRIME MINISTER AND HAS ONLY ON OCCASION SUCCEEDED IN SCORING POINTS AGAINST HIM. WILSON HAS UNDOUBTEDLY BEEN PLAGUED MORE BY DISSENSION FROM HIS BACK-BENCH THAN BY THE OPPOSITION. HERE AGAIN THERE IS ROOM FOR IMPROVEMENT AND, IF POLITICAL COMMENTATOR PATRICK COSGRAVE IS TO BE BELIEVED, HER PERFORMANCE WILL UNDOUBTEDLY SHARPEN CONSIDERABLY IN COMING MONTHS.

19. THE LACK OF CONSENSUS IN CONSERVATIVE POLICY ON ECONOMICS HAS ALSO AFFECTED HER PERFORMANCE. THE PARTY IS SPLIT INTO THREE PARTS ON ECONOMIC MEASURES TO TACKLE INFLATION. THERE IS A RELATIVELY STRONG GROUP ON THE RIGHT, BUT INCLUDING SOME HEATH SUPPORTERS LIKE PETER CONFIDENTIAL

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WALKER, WHO CALL FOR A STRICT ENFORCEMENT OF A FIXED INCOME POLICY. THERE IS ALSO A RELATIVELY SMALL GROUP OF CONSERVATIVES (FOR EXAMPLE, SIR KEITH JOSEPH) WHO CALL FOR MORE EMPHASIS ON MONETARY CONTROLS TO COMBAT INFLATION. BETWEEN THESE TWO GROUPS IS THE LARGE NUMBER OF CONSERVATIVES WHO BELIEVE THE GOVERNMENT SHOULD ADOPT POLICIES SOMEWHERE IN THE MIDDLE. MRS. THATCHER HAS ATTEMPTED TO MAKE HERSELF SPOKESWOMAN FOR THE MIDDLE GROUP AVOIDING THE TWO EXTREMES. IN THIS SHE HAS BEEN STRONGLY SUPPORTED BY REGINALD MAUDLING IN THE SHADOW CABINET, BUT THE NET RESULT HAS BEEN FOR PUBLIC CONSUMPTION, LACK OF IDENTIFICATION OF PRECISE CONSERVATIVE ECONOMIC GOALS. THE CONSERVATIVE POLICY OF TRYING TO AMEND THE MOST RECENT HEALEY ANTI-INFLATION PACKAGE AND, WHEN THAT EFFORT FAILED, OF NOT OPPOSING THE PACKAGE,

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HAS BEEN CONFUSING TO THE PUBLIC AND DISTASTEFUL TO SOME CONSERVATIVES; WHILE THE POLICY MAINTAINED WAS CONSISTENT WITH TRADITIONAL POLICIES OF THE CONSERVATIVES WHEN IN OPPOSITION, MANY PARTY MEMBERS SEE A BETTER POLICY FOR THE PARTY TO BE AN AGGRESSIVE, ACROSS-THE-BOARDS OPPOSING OF THE GOVERNMENT ON EVERY ISSUE, LARGE AND SMALL.

20. SOME SUMMARY COMMENTS AND THE FUTURE: THUS, THE INITIAL SIX MONTHS OF THE THATCHER LEADERSHIP REPRESENT A MIXTURE OF SUCCESS AND FAILURE IN SOLVING SOME OF THE PROBLEMS THE CONSERVATIVE PARTY FACES IN OPPOSITION. IT IS EASIER FOR A PARTY TO MEND FENCES WHEN IT HAS THE URGENCIES OF GOVERNING TO FORCE A KIND OF DISCIPLINE ON THE PARTY THAN IT IS TO DEAL WITH DISAFFECTION AND LACK OF SUPPORT FOR A DEMOCRATICALLY ELECTED LEADER WHEN IN OPPOSITION. ON THE PLUS SIDE MRS. THATCHER HAS SHOWN HERSELF WILLING TO CONSIDER VARYING OPINIONS AND TO TRY TO ESTABLISH A MORE BROADLY BASED CONSENSUS THAN HEATH EVER ATTEMPTED. SHE OBVIOUSLY SEES HER ROLE AS LEADER IN QUITE A DIFFERENT WAY FROM THE WAY HEATH SAW HIS, AND SHE HAS NOT DEVELOPED THE SAME LEVEL OF CONTROL, DICTATORIAL MANAGEMENT AND ARROGANCE THAT HEATH RESORTED TO, PARTICULARLY IN THE LATER YEARS OF HIS LEADERSHIP.

21. OTHER TASKS ALSO AWAIT HER. SHE HAS YET TO CAPTURE THE LOYALTY, DEDICATION AND ENTHUSIASM OF THE YOUNG CONSERVATIVES WHO SEEM TO BE STILL ENRaptured WITH HEATH.

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SHE HAS YET TO LEARN THE TECHNIQUES OF MANAGEMENT REQUIRED IN THE DEMANDING JOB SHE NOW HAS; RUNNING THE CONSERVATIVE PARTY IS EVEN AT THE BEST OF TIMES EQUIVALENT TO MANAGING A COMPANY. SHE NEEDS TO HAVE AIDES AND ASSISTANTS ON WHOM SHE CAN RELY AND WHO CAN MAKE SOME OF THE DECISIONS, WRITE SOME OF THE SPEECHES. WHAT SHE HAS NOW IS A SMALL PERSONAL STAFF OF HARD WORKING, DEDICATED AND LOYAL SECRETARIES AND "BRIGHT YOUNG MEN" (I.E., POLITICALLY UNEXPERIENCED AND SOMEWHAT NAIVE, BUT BRIGHT ENOUGH TO LEARN) COMBINED WITH THE "EMINENCE NEAVE" OF THE PARTY. CONSERVATIVE MP AIREY NEAVE, REPORTEDLY A LONG-TIME FRIEND AND CONFIDANT, NOW WEARS SO MANY HATS AS TO BE VIRTUALLY INVISIBLE; HE WAS HER "CAMPAIGN MANAGER" FOR THE LEADERSHIP ELECTION; SHE MADE HIM CONCURRENTLY HEAD OF HER EXECUTIVE OFFICE AND SHADOW SPOKESMAN ON NORTHERN IRELAND. REPORTEDLY HE ADVISES HER ON MAJOR SPEECHES (THE SPEECH IN CHELSEA BEFORE HELSINKI HE VETTED BEFORE DELIVERY); HE JOINED HER BRIEFLY ON VACATION IN FRANCE BEFORE THE TRIP TO ROMANIA AND WILL LIKELY ACCOMPANY HER TO THE UNITED STATES. A VETERAN AND ESCAPEE FROM COLDITZ. NEAVE REMAINS AN UNKNOWN BUT EVER PRESENT MEMBER OF HER ENTOURAGE, SELDOM SPEAKING OUT AND FREQUENTLY NON-SMILING.

22. THE MAIN QUESTION STILL FACING MARGARET THATCHER AT THE END OF SIX MONTHS IS WHETHER SHE HAS THE TIME AND ENERGY FOR THE TASKS STILL REMAINING BEFORE HER. CAN SHE RESHAPE THE PARTY'S POLICIES AND IN SOME CASES CHANGE THEIR EMPHASES IN A WAY TO PREPARE THE PARTY FOR SUCCESS IN THE NEXT GENERAL ELECTIONS, THE TIMING OF WHICH MAY BE MORE THE RESULT OF ECONOMIC CONDITIONS THAN OF HER OR THE OPPOSITION'S WISHES? ANOTHER MAIN OBJECTIVE MUST BE THE DEVELOPMENT OF A SUBSTANTIAL NUMBER OF WOULD-BE CABINET MEMBERS IN THE PARTY WHO DEMONSTRATE SUCCESSFULLY THE ABILITY OF THE PARTY TO GOVERN

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WHILE THE PARTY IS STILL IN OPPOSITION. SHE HAS NOT YET FORGED A CONVINCING TEAM, BUT SHE APPEARS TO BE WORKING IN THIS DIRECTION.

23. IN THE IMMEDIATE FUTURE MRS. THATCHER FACES A CHALLENGE AND AN OPPORTUNITY IN THE OCTOBER CONSERVATIVE PARTY CONFERENCE AT BLACKPOOL. IT HAS BEEN TWO YEARS SINCE THE LAST CONFERENCE SINCE THE 1974 CONFERENCE WAS CANCELED BECAUSE OF THE GENERAL ELECTIONS. IT WILL BE HER FIRST CONFERENCE AS LEADER, GIVING HER WIDE EXPOSURE TO THE FAITHFUL, SOME OF WHOM SUPPORTED HEATH AS LEADER IN FEBRUARY. IT GIVES HER THE CHANCE, THEREFORE, TO LEAD, TO ESTABLISH HERSELF WITH THE UNCOMMITTED, THE SKEPTICS, AND THE INTERNAL DISSIDENTS. IT GIVES HER AN OPPORTUNITY TOO TO PUT HER OWN STAMP ON PARTY POLICY, EXPLAIN POLICY DIFFERENCES AND WORK FOR CONSENSUS. AND IT GIVES HER THE FREE MEDIA EXPOSURE AS PARTY LEADER THAT SHE APPARENTLY FEELS THE NEED OF, THIS TIME WITH THE PART EN MASSE AND NOT JUST VISITING HEADS OF STATE (CEAUSESCU), BOATING IN FRANCE, OPENING RALLIES, WALK-ABOUTS IN SCOTLAND, ETC.

24. WHETHER THERE WILL BE A CONFERENCE DEBATE ON THE QUALITY OF PARTY LEADERSHIP AS THERE WAS IN THE CONFERENCE OF WELSH TORIES OR THE KIND OF TRIUMPHANT RECEPTION ACCORDED TO HER IN THE SCOT TORY CONFERENCE IN DUNDEE, OR SOMETHING NEW IN BLACKPOOL IS NOT YET CLEAR. HOWEVER, SHE AND HER ADVISORS (NEAVE, AUGUS MAUDE AND CONFIDENTIAL

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JOHN MOORE IN SMITH SQUARE, FOR EXAMPLE) SEEM TO BE COOLLY ASSESSING BLACKPOOL AS A POSSIBLE TURNING POINT IN HER POSITION WITH CURRENTLY AN OPTIMISTIC VIEW THAT THE CONFERENCE WILL REMOVE LINGERING DOUBTS AND FIRMLY ESTABLISH HER LEADERSHIP.

RICHARDSON

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